

LOUISIANA

DEPARTMENT of REVENUE

Instructions for Completing Form R-6922 Louisiana Composite Partnership Return

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CODE

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This space on the tax return is to be used only when specifically instructed by LDR. Otherwise, leave blank.

WHO MUST FILE

Partnerships engaging in activities in Louisiana that have nonresident partners are required to file a composite partnership return unless

- a. All nonresident partners are corporations, partnerships or tax exempt trusts; or
- b. All nonresident individual partners have a valid agreement on file with the Department of Revenue.

All nonresident partners who were partners at any time during the taxable year and who do not have a valid agreement on file with LDR must be included in the Louisiana Composite Partnership Return (See LAC 61:I.1401 available on the Department's website, www.revenue.louisiana.gov). The agreement, in the form of an affidavit, must include a statement that the taxpayer agrees to timely file a Louisiana Nonresident Individual Income Tax return and make payment of Louisiana individual income tax.

The following entities cannot be included in a composite return filing:

- Corporations are required to file Form CIFT-620 to report any partnership income.
- Resident estates and trusts are required to file Form IT-541 to report partnership income.
- Partners who are themselves partnerships cannot be included in a composite return. These partners must file all applicable Louisiana tax returns. Refer to LAC 61:I.1401.
- Partners who are Louisiana residents are required to file Form IT-540 to report partnership income. Refer to LAC 61:I.1401.

FILING REQUIREMENTS

Louisiana Revised Statute 47:201.1(F)(4) requires the electronic filing of all composite partnership returns. If tax credits are claimed on the composite return:

- ALL nonresident partners must be included on the return and on *Schedule of Included Partner's Share of Income and Tax*.
- ALL partners, including residents, corporations and other partnerships must be included on *Schedule of Not Included Partner's Share of Income and Tax*.

WHEN TO FILE

The return for the calendar year must be filed with LDR on or before May 15 of the year following the close of the calendar year. Returns for fiscal years must be filed on or before the 15th day of the fifth month after the close of the fiscal period. If the due date falls on a weekend or legal holiday, the return is due on the next business day.

EXTENSIONS

The Secretary of the Louisiana Department of Revenue may grant an extension of time for filing the composite partnership return not to exceed six months from the date the return is due. Extensions must be filed electronically on or before the due date of the return. An extension can be requested on the LDR website at www.revenue.louisiana.gov.

PAYMENTS

An Electronic Funds Transfer (EFT) payment is required for all payments of tax due that exceed \$5,000.

REVENUE ACCOUNT NUMBER, NAME, ADDRESS

Please mark the appropriate box if your name has changed, if you are filing an amended return, or if you are filing a final return. You must file using your 10-digit Louisiana Revenue Account Number. The FEIN cannot be used in place of the Revenue Account Number. A Revenue Account Number can be obtained by using our Online Business Registration application available on the Department's website at www.revenue.louisiana.gov.

ROUNDING TO WHOLE DOLLARS

Round cents to the nearest whole dollar on the composite partnership return. Total prepayments, including any credit carried forward from last year, should also be rounded to the nearest whole dollar.

AMENDED RETURNS

The "AMENDED RETURN" circle on the return should be clearly marked when filing an amended return. In order to amend the amounts reported for the computation of tax paid on behalf of nonresident partners, the taxpayer must file a revised return, along with a detailed explanation of the changes.

TAX RATE

A tax rate of 6% (.06) is assessed on the total distributive shares for nonresident partners included on the Louisiana Composite Return.

INSTRUCTIONS FOR SCHEDULE OF INCLUDED PARTNER'S SHARE OF INCOME AND TAX

The *Schedule of Included Partner's Share of Income and Tax* is used to report the share of income and tax for each nonresident partner who does not have a valid agreement on file with LDR. If anything is reported on the Louisiana Composite Partnership Return, this schedule must be completed. Nonresidents with an agreement on file must be included on the *Schedule of NOT Included Partner's Share of Income and Tax*.

Exception: If tax credits are claimed on the composite return, all nonresidents must be included on the *Schedule of Included Partner's Share of Income and Tax* regardless of having a valid agreement on file. ALL other partners, including residents, corporations and other partnerships must be included on *Schedule of Not Included Partner's Share of Income and Tax*.

Partner Number – Begin with number 1 and use consecutive numbering for each partner who is a nonresident member of the partnership that is being included on the composite return. Provide a total for all partners on this schedule as applicable. Complete each row with the requested information for each partner.

SSN – Enter the Social Security Number of each partner required to be included on this schedule.

Name – Enter the name of the partner.

Address, City, State, and ZIP – Self-explanatory.

Partner's Share of Profit (%) – Enter the year-end percentage of each partner. That percentage is generally based on the partnership agreement. Enter the total for all partners on this schedule.

Partner's Share of Loss (%) – Enter the year-end percentage of each partner. That percentage is generally based on the partnership agreement. Enter the total for all partners on this schedule.

Partner's Share of Credits (%) – Enter the year-end percentage of each partner. That percentage is generally based on the partnership agreement. Enter the total for all partners on this schedule.

Resident of LA for Tax Year – Enter Yes or No.

Credits Claimed on the Return – Enter Yes or No indicating whether tax credits earned by the partnership flows through to the partners and are being claimed on the composite return. If tax credits are claimed on the composite return, all nonresidents must be included on this schedule.

Distributable Losses – Enter the amount of distributable losses that was derived from or attributable to sources in this state. Add all distributable losses and enter the total for all partners in the Total column.

Distributable Income – Enter the amount of distributable income that was derived from or attributable to sources in this state regardless of income being distributed. Each partner's share of the composite payment is calculated on this amount. Add all distributable income and enter the total for all partners in the Total column.

Income Tax Due – A tax rate of 6 percent (.06) is assessed on the amount of Distributable Income. Calculate the tax due for each partner and enter the total for all partners in the Total column.

Total Nonrefundable Credits – For each partner, enter their share of Total Nonrefundable Tax Credits. Add the amount of Nonrefundable Credits and enter the total for all partners in the Total column.

Amount Paid on Partner's Behalf – For each partner, subtract Total Nonrefundable Credits from Income Tax Due and enter the results. This amount can not be less than zero. Enter the total for all partners on this schedule.

Louisiana Citizens Insurance Credit – For each partner, enter their share of the Louisiana Citizens Property insurance assessment that was included in the property's insurance premium and paid by the partnership. This credit has been reduced by 28% according to Act 125 of the 2015 Louisiana Legislature Session. Multiply the assessment amount by 72 percent (.72) before entering the partner's share. A copy of the declaration page that shows the separate charges for the LA Citizens assessments must be submitted with your return. See Revenue Information Bulletin 15-021 for additional information regarding this credit.

Total Refundable Credits – For each partner, enter their share of Total Refundable Tax Credits. Add the amount of Refundable Credits and enter the total for all partners in the Total column.

Schedule NRC – Refer to the list of nonrefundable credits on Schedule NRC. For each nonrefundable credit being claimed, enter the identifying three-digit code. Each credit must be listed separately. For each partner, enter their share of the applicable credit. Enter the total for all partners on this schedule. **NOTE: Use only the codes referenced in the table of Schedule NRC. The codes listed are not interchangeable with other codes listed in the instructions.**

Total Nonrefundable Credits – For each partner, enter the total of the nonrefundable credits listed on the schedule. Add the amount of Nonrefundable Credits and enter the total for all partners in the Total column.

Schedule RC – Refer to the list of refundable credits on Schedule RC. For each refundable credit being claimed, enter the identifying code. Each credit must be listed separately. For each partner, enter their share of the applicable credit. Enter the total for all partners on this schedule. **NOTE: Use only the codes referenced in the table of Schedule RC. The codes listed are not interchangeable with other codes listed in the instructions.**

Total Refundable Credits – For each partner, enter the total of the refundable credits listed on the schedule. Enter the total for all partners on this schedule.

INSTRUCTIONS FOR SCHEDULE OF NOT INCLUDED PARTNER'S SHARE OF INCOME AND TAX

The *Schedule of NOT Included Partner's Share of Income and Tax* is used to report the share of income for each nonresident partner who has a valid agreement on file with LDR and is therefore not included on the composite return.

Exception: If tax credits are claimed on the composite return, all nonresidents must be on the *Schedule of Included Partner's Share of Income and Tax* regardless of having a valid agreement on file. ALL other partners, including residents, corporations and other partnerships must be included on *Schedule of Not Included Partner's Share of Income and Tax*.

Partner Number – Use consecutive numbering for each partner required to be listed on this schedule. Also provide a total for all partners on this schedule as applicable. Complete the remaining information for each partner on this schedule.

ID Type – Enter SSN if the partner is an individual. Enter FEIN if the partner is an entity such as a corporation, partnership, or trust.

SSN – If ID type is SSN, enter the Social Security Number of the partner required to be included on this schedule. If ID type is FEIN, enter the Federal Employer Identification Number of the partner.

Name – Enter the full name if the partner is an individual or the legal name of the entity.

Address, City, State, and ZIP – Self-explanatory.

Partner's Share of Profit (%) – Enter the year-end percentage of each partner. That percentage is generally based on the partnership agreement. Enter the total for all partners on this schedule.

Partner's Share of Loss (%) – Enter the year-end percentage of each partner. That percentage is generally based on the partnership agreement. Enter the total for all partners on this schedule.

Partner's Share of Credits (%) – Enter the year-end percentage of each partner. That percentage is generally based on the partnership agreement. Enter the total for all partners on this schedule.

Resident of LA for Tax Year – Enter Yes or No.

Nonresident Partner Agreement on File – Enter Yes or No indicating whether each nonresident partner has a valid agreement on file with LDR.

Distributable Losses – Enter the amount of distributable losses that was derived from or attributable to sources in this state. Add all distributable losses and enter the total for all partners in the Total column.

Distributable Income – Enter the amount of distributable income that was derived from or attributable to sources in this state regardless of income being distributed. Add all distributable income and enter the total for all partners in the Total column.

Total Nonrefundable Credits – For each partner, enter their share of Total Nonrefundable Tax Credits. Enter the total for all partners on this schedule.

Louisiana Citizens Insurance Credit – For each partner, enter their share of the Louisiana Citizens Property insurance assessment that was included in the property's insurance premium and paid by the partnership. This credit has been reduced by 28% according to Act 125 of the 2015 Louisiana Legislature Session. Multiply the assessment amount by 72 percent (.72) before entering the partner's share. A copy of the declaration page that shows the separate charges for the LA Citizens assessments must be submitted with your return. See Revenue Information Bulletin 15-021 for additional information regarding this credit.

Total Refundable Credits – For each partner, enter their share of Total Refundable Tax Credits. Enter the total for all partners on this schedule.

Schedule NRC – Refer to the list of nonrefundable credits on Schedule NRC. For each nonrefundable credit being claimed, enter the identifying three-digit code. Each credit must be listed separately. For each partner, enter their share of the applicable credit. Enter the total for all partners on this schedule. **NOTE: Use only the codes referenced in the table of Schedule NRC. The codes listed are not interchangeable with other codes listed in the instructions.**

Total Nonrefundable Credits – For each partner, enter the total of the nonrefundable credits listed on the schedule. Add the amount of Nonrefundable Credits and enter the total for all partners in the Total column.

Schedule RC – Refer to the list of refundable credits on Schedule RC. For each refundable credit being claimed, enter the identifying code. Each credit must be listed separately. For each partner, enter their share of the applicable credit. Enter the total for all partners on this schedule. **NOTE: Use only the codes referenced in the table of Schedule RC. The codes listed are not interchangeable with other codes listed in the instructions.**

Total Refundable Credits – For each partner, enter the total of the refundable credits listed on the schedule. Add the amount of Refundable Credits and enter the total for all partners in the Total column.

SUMMARY OF TAX PAID ON BEHALF OF NONRESIDENT PARTNERS

LINE 1 – Total Distributable Income for Nonresident Partners included with the Louisiana Composite Partnership Return - Total from *Schedule of Included Partner's Share of Income and Tax*, Column M. Do not net distributable losses.

LINE 2 – Total Amount of Income Tax Due - Total from *Schedule of Included Partner's Share of Income and Tax*, Column N.

LINE 3 – Total Nonrefundable Tax Credits - Enter the total Nonrefundable Tax Credits from Schedule NRC, Line 13.

LINE 4 – Tax Due after Nonrefundable Tax Credits - Subtract Line 3 from Line 2.

LINE 5 – Louisiana Citizens Insurance Assessment Paid - Enter the amount of the Louisiana Citizens Property insurance assessment that was included in the property's insurance premium and paid by the partnership. A copy of the declaration page that shows the separate charges for the LA Citizens assessments must be submitted with your return. For additional information regarding this credit, visit www.revenue.louisiana.gov/citizens.

LINE 5A – Louisiana Citizens Insurance Credit - Multiply the amount on Line 5 by 72 percent (.72) and enter the result.

LINE 6 – Total Refundable Tax Credits - Enter the total amount of Refundable Tax Credits and Rebates from Schedule RC, Line 9.

LINE 7 – Amount of Credit Carried Forward from 2014 - Enter the amount of any credit carried forward from 2014.

LINE 8 – Estimated payments for 2015 - Enter the total amount of estimated payments the partnership made for 2015.

LINE 9 – Amount paid with extension request - Enter the amount of payment made by the partnership with the 2015 extension request.

LINE 10 – Total refundable credits and payments - Add Lines 5A through 9.

LINE 11 – Overpayment - If Line 10 is greater than Line 4, subtract Line 4 from Line 10. This is the amount of your overpayment. If Line 10 is equal to Line 4, enter zero "0" on Line 11 through Line 17. If Line 10 is less than Line 4, enter a zero "0" on Lines 11 through 13 and go to Line 14.

LINE 12 – Enter the amount of your available overpayment shown on Line 11 that you wish to credit to 2016.

LINE 13 – Subtract Line 12 from Line 11. This amount is to be refunded.

LINE 14 – If Line 4 is greater than Line 10, subtract Line 10 from Line 4.

LINE 15 – Interest - If your income tax amount is not paid by May 15, 2016, you will be charged interest on the unpaid tax from May 16, 2016, until the date the balance of tax due is paid. Because the interest rate varies from year to year, the rates are published in Form R-1111, Interest Rate Schedule Collected on Unpaid Taxes, which is available on LDR's website. In order to compute the INTEREST RATE PER DAY, multiply the monthly rate by 12, divide it by 365, and carry out to seven places to the right of the decimal. Example: Assume the 2016 monthly interest rate is determined to be .4375. Multiply .4375 times 12 = 5.25% (.0525), which equals the annual interest rate. Divide .0525 by 365, $.0525/365 = .0001438$, which equals the INTEREST RATE PER DAY. NOTE!! You must carry out your computation to 7 places to the right of the decimal point.

LINE 16 – Delinquent filing penalty - A delinquent filing penalty will be charged for failure to file a timely return on or before May 15, 2016, for calendar year filers. A penalty of five percent (.05) of the tax due accrues if the delay in filing is not more than 30 days. An additional five percent (.05) is assessed for each additional 30 days, or fraction thereof, during which the failure to file continues. By law, the maximum delinquent penalty that can be imposed is twenty-five percent (.25) of the tax due.

LINE 17 – Delinquent payment penalty - If you fail to the tax due by the due date, a delinquent payment penalty of 0.5 percent of the tax not paid by the due date will accrue for each 30 days, or fraction thereof, during which the failure to pay continues. This penalty cannot exceed 25 percent of the tax due.

Important Notice: The sum of both the delinquent filing and delinquent payment penalties cannot exceed 25 percent of the tax due. Thirty-day increments are used for the calculation of the delinquent filing and delinquent payment penalties. These penalties are based on the date LDR receives the return or payment. In addition to the delinquent penalties mentioned above, you may also incur a negligence penalty if circumstances indicate willful negligence or intentional disregard of rules and regulations.

LINE 18 – Balance due Louisiana - Add Lines 14 through 17. You may make payment by credit card or electronic debit on www.revenue.louisiana.gov/fileonline. You may make payment by check or money order by using Composite Partnership Electronic Filing Payment Voucher, R-6922V.

GENERAL INFORMATION ON ALL CREDITS

R.S. 47:1675 provides for general rules governing the application of tax credits. Credits should be applied in numerical order using the codes provided below. If a schedule is required in the instructions below, you must attach a separate schedule for each credit claimed. The schedule should clearly identify the credit, your name, and LDR account number. If documentation is required, you must submit the documentation with your return. For faster processing, you can upload all required information when you file your return electronically. Revenue Information Bulletins (RIB) are posted on www.revenue.louisiana.gov/policies under Policy Documents.

Certain income tax credits have been reduced according to Acts 109, 125 and 133 of the 2015 Regular Session of the Louisiana Legislature. Please refer to Revenue Information Bulletin 15-021 for information on the Act 125 reductions.

Note: If you are claiming a credit that is recorded in the Tax Credit Registry, you must attach a completed Credit Utilization Form (R-6140, Section 2) and a copy of the Credit Registration Form (R-6135) to the tax return. See RIB No. 14-005.

INSTRUCTIONS FOR SCHEDULE NRC, NONREFUNDABLE CREDITS, EXEMPTIONS AND REBATES

Nonrefundable Tax Credits Lines 1 through 8

Nonrefundable credits available for the tax year ending December 31, 2015 are referenced individually by a three-digit code. Please enter the credit description, identifying code, amount of credit prior to reduction as applicable and the dollar amount claimed in the appropriate spaces on Lines 1 through 8. Act 125 reductions noted in the instructions below refer to the reductions made by Act 125 of the 2015 Regular Legislative Session. See Revenue Information Bulletin No. 15-021 for more information. Unless otherwise stated in the instructions for each line, enter credit amounts in column labeled "amount of credit claimed". **NOTE: Use only the codes referenced in the table of Schedule NRC. The codes listed here are not interchangeable with other codes.**

Lines 9 through 12 — Complete Lines 9 through 12 ONLY if a transferable credit is claimed. For Lines 9A, 10A, 11A, and 12A, enter the LDR State Certification number from form R-6135, if applicable.

Line 13 - Total Nonrefundable Tax credits — Add Lines 1 through 12, enter the result on Line 13 and on the Louisiana Composite Partnership Return, Line 3.

Code

100 - Premium Tax — R.S. 47:227 provides a credit for premium taxes paid during the preceding twelve months by an insurance company authorized to do business in Louisiana. A copy of the premium tax return and cancelled checks in payment of the tax must be attached to the return. Enter credit amount as allowed prior to Act 125 reduction. The credit amount currently allowed is calculated by multiplying the amount by 72 percent (.72).

120 - Bone Marrow — R.S. 47:287.758 provides a credit to employers, authorized to do business in the state, who incur bone marrow donor expense by developing a bone marrow donation program, educating employees related to bone marrow, making payments to a health care provider for determining tissue types of potential donors, paying wages to an employee for time related to tissue typing and bone marrow donation, etc. The wage expense used to obtain the credit cannot be deductible as an expense for income tax purposes. The amount of the credit was equal to 25 percent of the bone marrow donor expense paid or incurred by the employer during the tax year. Enter credit amount as allowed prior to Act 125 reduction. The credit amount currently allowed is calculated by multiplying the amount by 72 percent (.72).

140 - Nonviolent Offenders — R.S. 47:287.752 provides a credit for an entity who provides full-time employment to an individual who has been convicted of a first-time nonviolent offense, has completed a court-ordered program certified by the employee's probation officer, and has worked 180 days. A statement signed by both the employer and employee certifying the employee's full-time work status for the year must be attached to the return. Enter credit amount as allowed prior to Act 125 reduction. The credit amount currently allowed is calculated by multiplying the amount by 72 percent (.72).

150 - Qualified Playgrounds — R.S. 47:6008 provides a credit for donations to assist qualified playgrounds. The credit was for the lesser of \$1,000 or one-half of the value of the cash, equipment, goods, or services donated. For more information on this credit, see Revenue Ruling No. 02-020 posted on LDR's website. Enter credit amount as allowed prior to Act 125 reduction. The credit amount currently allowed is calculated by multiplying the amount by 72 percent (.72). The credit is the lesser of \$720 or 36 percent of the value of the cash, equipment, goods, or services donated.

155 - Debt Issuance — R.S. 47: 6017 provides a credit for the filing fee paid to the Louisiana State Bond Commission, which is incurred by an economic development corporation in the preparation and issuance of bonds. Please contact the Department for additional information regarding this credit. Enter credit amount as allowed prior to Act 125 reduction. The credit amount currently allowed is calculated by multiplying the amount by 72 percent (.72).

160 - Contributions to Educational Institutions — R.S. 47:37 and R.S. 47:287.755 provide a credit of 29 percent of the value of tangible property of a sophisticated and technical nature donated to educational institutions in the State of Louisiana. The institution that receives the donation must furnish to the donor or seller a certification of such donation, contribution, or sale below cost, which shall include the date and the value of other property donated, contributed, or sold.

175 - Donations of Materials, Equipment, Advisors, Instructors — R.S. 47:6012 provides a credit for employers within the state for donations of the newest technology available in materials, equipment, or instructors to public training providers, secondary and postsecondary vocational-technical schools, community colleges, or apprenticeship programs registered with the Louisiana Workforce Commission to assist in the development of training programs designed to meet industry needs. The credit was for 50 percent of the value of the donated materials, equipment, or services rendered by the instructor. When taken with other applicable credits, this credit cannot exceed 20 percent of the employer's tax liability for any taxable year. Enter credit amount as allowed prior to Act 125 reduction. The credit amount currently allowed is calculated by multiplying the amount by 72 percent (.72).

199 - Other — Reserved for Future Credits

200 - Atchafalaya Trace — R.S. 25:1226.4 provides a credit to certain heritage based cottage industries that have entered into a contract with the State Board of Commerce and Industry. A copy of the contract must be attached to the return. Enter credit amount as allowed prior to Act 125 reduction. The credit amount currently allowed is calculated by multiplying the amount by 80 percent (.80).

208 - Previously Unemployed — R.S. 47:6004 provides a credit for hiring a previously unemployed person who participates in the Family Independence Work Program in a newly created full-time job. Enter credit amount as allowed prior to Act 125 reduction. The credit amount currently allowed is calculated by multiplying the amount by 72 percent (.72).

210 - Recycling Credit — R.S. 47:6005 provides a credit for the purchase of certain equipment or service contracts related to recycling. The credit must be certified by the Louisiana Department of Environmental Quality and a copy of the certification must be attached

to the return. Enter credit amount as allowed prior to Act 125 reduction. The credit amount currently allowed is calculated by multiplying the amount by 72 percent (.72).

- 212 - Basic Skills Training** — R.S. 47:6009 provides a credit for employers who pay for training to bring employees' reading, writing, or mathematical skills to at least the 12th grade level. The credit was limited to \$250 per participating employee, not to exceed \$30,000 for the tax year. Enter credit amount as allowed prior to Act 125 reduction. The credit amount currently allowed is calculated by multiplying the amount by 72 percent (.72). The credit cannot exceed \$180 per participating employee and cannot exceed \$21,600 for the tax year.
- 224 - New Jobs Credit** — R.S. 47:34 and R.S. 47:287.749 provide a credit to employers who establish or expand a business in the state. A schedule that includes the calculation of the credit must be attached to the return and must also include the name, address, and Social Security Number of each new employee; highest number of full-time and qualified part-time employees during the previous year; highest number of full-time and part-time employees during the current year; number of new employees hired for new jobs created during this taxable year; and the amount of credit carried forward from the previous year. Enter credit amount as allowed prior to Act 125 reduction. The credit amount currently allowed is calculated by multiplying the amount by 72 percent (.72).
- 226 - Refunds by Utilities** — R.S. 47: 287.664 provides a credit for certain court ordered refunds made by utility companies to its customers. Enter credit amount as allowed prior to Act 125 reduction. The credit amount currently allowed is calculated by multiplying the amount by 72 percent (.72).
- 228 - Eligible Re-entrants** — R.S. 47:287.748 provides a credit to encourage the employment in full-time jobs in the state of Louisiana of re-entrants who have been convicted of a felony and who have successfully completed the Intensive Incarceration Program as provided for in R.S. 15:574.4. For additional information, please contact the Department. Enter credit amount as allowed prior to Act 125 reduction. The credit amount currently allowed is calculated by multiplying the amount by 72 percent (.72).
- 230 - Neighborhood Assistance** — R.S. 47:35 and R.S. 47:287.753 provide a credit for an entity engaged in the activities of providing neighborhood assistance, job training, education for individuals, community services, or crime prevention in Louisiana. The credit was for up to 70 percent of the amount contributed for investment in programs approved by the Commissioner of Administration and the credit shall not exceed \$250,000 annually. Enter credit amount as allowed prior to Act 125 reduction. The credit amount currently allowed is calculated by multiplying the amount by 72 percent (.72). The credit is equal to 50 percent of the amount contributed and can not exceed \$180,000 annually.
- 231 - Research and Development** — R.S. 47:6015(K) allows a credit for any taxpayer who claims a federal income tax credit under 26 U.S.C. §41(a) for increasing research activities. Use this code for Research and Development credits earned for expenditures made beginning January 1, 2015. The credit is obtained through the Louisiana Department of Economic Development and documentation from that agency must be attached to the return. See Revenue Information Bulletin 15-019 on LDR's website.
- 232 - Cane River Heritage** — R.S. 47:6026 provides a credit for a heritage-based cottage industry located or to be located in the Cane River Heritage Area Development Zone. The taxpayer must enter into a contract with the Department of Culture, Recreation, and Tourism, and a copy of the contract must be attached to the return. Enter credit amount as allowed prior to Act 125 reduction. The credit amount currently allowed is calculated by multiplying the amount by 72 percent (.72).
- 234 - LA Community Economic Development** — R.S. 47:6031 provides a credit for money donated, contributed, or represented by a sale below cost by the taxpayer to a certified community development corporation or a certified community development financial institution. The credit must be certified and approved by the Department of Economic Development, and a copy of the certification must be attached to the return.
- 236 - Apprenticeship** — R.S. 47:6033 provides a credit to employers equal to one dollar for each hour of employment for an eligible apprentice, limited to 1,000 hours for each eligible apprentice. An eligible apprentice is a person who has entered into a written apprenticeship agreement with an employer or an association of employers pursuant to a registered apprenticeship program or who is enrolled in a training program accredited by the National Center for Construction Education and Research. For more information regarding this credit, please contact the Louisiana Workforce Commission.
- 238 - Ports of Louisiana Investor** — R.S. 47:6036(C) provides a credit to encourage investment in state port facilities in Louisiana. Taxpayers must apply to the Louisiana Department of Economic Development to receive certification. A copy of the certification of the credit must be attached to the return.
- 240 - Ports of Louisiana Import Export Cargo** — R.S. 47:6036(I) provides a credit to encourage the use of state port facilities in Louisiana. The credit is based on the number of tons of qualified cargo imported and exported from or to manufacturing, fabrication, assembly, distribution, processing or warehousing facilities located in the state. Taxpayers must apply to the Louisiana Department of Economic Development to receive certification. A copy of the certification of the credit must be attached to the return.
- 251 - Motion Picture Investment** — R.S. 47:6007(C)(1) provides a credit for taxpayers domiciled in Louisiana, other than motion picture production companies, who invest in a state-certified, motion picture production. Taxpayers taking this credit may attach Form R-10611, available on the Department's website, as documentation for this credit. See Revenue Information Bulletin 15-033 for more information.
- 252 - Research and Development** — R.S. 47:6015 provides a credit for any taxpayer who claims a federal income tax credit under 26 U.S.C. §41(a) for increasing research activities. Use this code for Research and Development credits earned for expenditures made in tax years beginning before January 1, 2009.
- 253 - Historic Structures** — R.S. 47:6019 provides a credit if the taxpayer incurs certain expenses during the rehabilitation of a historic structure located in a Downtown Development or a cultural district.

- 254 - Digital Interactive Media** — R.S. 47:6022 provides a credit for the investment in businesses specializing in digital interactive media before January 1, 2012. See Revenue Information Bulletin 12-017 on LDR's website for more information. Taxpayers must apply to the Louisiana Department of Economic Development to receive certification. A copy of the certification of the credit must be attached to the return.
- 256 - Motion Picture Employment of Resident** — R.S. 47:1125.1 provides a credit for the employment of residents of Louisiana in connection with the production of a motion picture. Refer to Revenue Information Bulletin 05-005 on LDR's website.
- 257 - Capital Company** — R.S. 51:1924 provides a credit for the investment in a certified Louisiana capital company. The credit must be approved by the Commissioner of the Office of Financial Institutions. A copy of the certification from the Office of Financial Institutions must be attached to the return.
- 258 - LA Community Development Financial Institution (LCDFI)** — R.S. 51:3085 et seq. provides a credit for certain investments in an LCDFI to encourage the expansion of businesses in economically distressed areas. The Louisiana Office of Financial Institutions administers this program. Enter credit amount as allowed prior to Act 125 reduction. The credit amount currently allowed is limited to 54 percent of the investment.
- 259 - New Markets** — R.S. 47:6016 provides a credit if the taxpayer makes certain qualified low-income community investments, as defined in Section 45D of the Internal Revenue Code. The taxpayer must be certified by the Louisiana Department of Economic Development and approved by LDR. Information on the program investment limits are frequently posted as Revenue Information Bulletins on LDR's website.
- 260 - Brownfields Investor Credit** — R.S. 47:6021 provides a credit to encourage the cleanup, redevelopment, and productive reuse of brownfields in the state. The credit is obtained through the Department of Economic Development and the Department of Environmental Quality.
- 261 - Motion Picture Infrastructure** — R.S. 47:6007(C)(2) provides a credit for an approved state-certified infrastructure project for a film, video, television, or digital production or postproduction facility. Taxpayers must apply to the Louisiana Department of Economic Development to receive certification. A copy of the certification of the credit must be attached to the return. Refer to Revenue Information Bulletin 06-004 on LDR's website.
- 262 - Angel Investor** — R.S. 47:6020 provides a credit to encourage third party investment of taxpayers who make qualified investments to certified Louisiana entrepreneurial businesses on or after January 1, 2011. To earn the Angel Investor Tax Credit, taxpayers must file an application with the Louisiana Department of Economic Development.
- 299 - Other** — Reserved for Future Credits
- 300 - Biomed/University Research** — R.S. 17:3389 provides a credit for a company that establishes research activities in either a Biomedical or University Research and Development Park. The taxpayer must enter into a contract with the Louisiana Department of Economic Development and a copy of the contract showing the credit granted must be attached to the return.
- 305 - Tax Equalization** — R.S. 47:3202 provides a credit for tax equalization for certain businesses locating in Louisiana. The taxpayer must enter into a contract with the Louisiana Department of Economic Development and a copy of the contract showing the credit granted must be attached to the return.
- 310 - Manufacturing Establishments** — R.S. 47:4305 provides a credit to certain manufacturing establishments that have entered into a contract with the Louisiana Department of Economic Development. A copy of the contract showing the credit granted must be attached to the return.
- 315 - Enterprise Zone** — R.S. 51:1782 et. seq. provide a credit for private sector investments in certain areas, which are designated as "Enterprise Zones". The taxpayer must enter into a contract with the Louisiana Department of Economic Development and a copy of the contract showing the credit granted must be attached to the return.
- 399 - Other** — Reserved for Future Credits

INSTRUCTIONS FOR SCHEDULE RC, Refundable Credits

Refundable Tax Credits Lines 1 through 5

Refundable credits available for the tax year ending December 31, 2015 are referenced individually by a three-digit code. Please enter the credit description, identifying code, amount of credit prior to reduction as applicable and the dollar amount claimed in the appropriate spaces on Lines 1 through 5. Act 125 reductions noted in the instructions below refer to the reductions made by Act 125 of the 2015 Regular Legislative Session. See Revenue Information Bulletin No. 15-021 for more information. Unless otherwise stated in the instructions for each line, enter credit amounts in column labeled "amount of credit claimed". **NOTE: Use only the codes referenced in the table of Schedule RC. The codes listed here are not interchangeable with other codes.**

Lines 6 through 8 — Complete Lines 6 through 8 ONLY if a transferable credit is claimed. For 6A, 7A, and 8A, enter the LDR State Certification number from form R-6135, if applicable.

Line 9 - Total Refundable Tax credits — Add Lines 1 through 8, enter the result on Line 9 and on the Louisiana Composite Partnership Return, Line 6.

Code

- 50F - Inventory Tax** — R.S. 47:6006 allows a refundable credit for 100 percent of the ad valorem taxes paid to political subdivisions in Louisiana on inventory held by manufacturers, distributors, or retailers if the amount paid is less than \$10,000. If the amount you paid is less than \$10,000, enter that amount under the “amount of credit claimed” column. If the ad valorem taxes paid are \$10,000 or more, Act 133 of the 2015 Regular Legislative Session only allows 75 percent of the excess credit over tax to be refunded. You must use page 2 of Form R-10610 to calculate the amount of credit you can claim. Enter the amount paid under the “amount prior to reduction” column and the credit amount as calculated on Form R-10610 under the “amount of credit claimed” column. Refer to Revenue Information Bulletin 06-036 and 15-019.
- 51F - Ad Valorem Natural Gas** — R.S. 47:6006 allows a refundable credit for 100 percent of the ad valorem taxes paid to political subdivisions in Louisiana on natural gas held, used, or consumed in providing natural gas storage services or operating natural gas storage facilities if the amount paid is less than \$10,000. If the amount you paid is less than \$10,000, enter that amount under the “amount of credit claimed” column. If the ad valorem taxes paid are \$10,000 or more, Act 133 of the 2015 Regular Legislative Session only allows 75 percent of the excess credit over tax to be refunded. You must use page 2 of Form R-10610 to calculate the amount of credit you can claim. Enter the amount paid under the “amount prior to reduction” column and the credit amount as calculated on Form R-10610 under the “amount of credit claimed” column. Refer to Revenue Information Bulletin 06-036 and 15-019.
- 52F - Ad Valorem Offshore Vessels** — R.S. 47:6006.1 allows a refundable credit for 100 percent of the ad valorem taxes paid on vessels in Outer Continental Shelf Lands Act Waters. The following must be attached to the return: a copy of the tax assessment, a copy of the cancelled check in payment of the tax, and a copy of a completed Form LAT 11A from the Louisiana Tax Commission.
- 54F - Telephone Company Property** — R.S. 47:6014 allows a refundable credit for up to 40 percent of the ad valorem taxes paid to Louisiana political subdivisions by a telephone company, with respect to that company’s public service properties located in Louisiana. See Revenue Information Bulletin 01-004 on LDR’s website. Both a copy of the tax assessment and a copy of the cancelled check in payment of the tax must be attached to the return.
- 55F - Prison Industry Enhancement** — R.S. 47:6018 allows a refundable credit for purchases by a taxpayer of specialty apparel items from a private sector Prison Industry Enhancement (PIE) contractor. Contact LDR for further information regarding this credit. Enter credit amount as allowed prior to Act 125 reduction. The credit amount currently allowed is calculated by multiplying the amount by 72 percent (.72).
- 56F - Urban Revitalization** — R.S. 51:1801 et seq. allow a refundable credit for investing in certain economically depressed areas of the state. Taxpayers must apply to the Louisiana Department of Economic Development to receive certification. A copy of the certification of the credit must be attached to the return.
- 57F - Mentor – Protégé** — R.S. 47:6027 allows a refundable credit for a mentor business that fulfills the terms of a Mentor-Protégé Agreement as approved by the Louisiana Department of Economic Development. A copy of the certification of the credit must be attached to the return.
- 58F - Milk Producers** — R.S. 47:6032 allows a refundable credit for a resident taxpayer engaged in the business of producing milk for sale. Those milk producers that have obtained permits under the Louisiana Administrative Code, Title 51 and have met the requirements of the Food and Drug Administration shall be certified by the Department of Health and Hospitals to receive the credit. For more information see Revenue Information Bulletin 08-014 on LDR’s website.
- 59F - Technology Commercialization** — R.S. 51:2351 et seq. allow a refundable credit for a qualifying business that invests in the commercialization of Louisiana technology. Taxpayers must apply to the Louisiana Department of Economic Development to receive certification. A copy of the certification of the credit must be attached to the return.
- 61F - Angel Investor** — R.S. 47:6020 allows a refundable credit to encourage third party investment of taxpayers who make qualified investments to certified Louisiana entrepreneurial businesses between January 1, 2005, and December 31, 2009. To earn the Angel Investor Tax Credit, taxpayers must file an application with the Louisiana Department of Economic Development. Refer to Revenue Information Bulletin 06-020 on LDR’s website.
- 62F - Musical and Theatrical Production** — R.S. 47:6034 allows a refundable credit for the production expenses, employment of college and vocational-technical students, employment of residents, and for the construction, repair, or renovation of facilities related to productions and performances. No credit shall be allowed under this provision if credit has been granted for the Motion Picture Investment or Infrastructure credit (R.S. 47:6007) or the Sound Recording Investment credit (R.S. 47:6023). Taxpayers must apply to the Louisiana Department of Economic Development to receive certification. A copy of the certification must be attached to the return.
- 64F - Solar Energy Systems — Non-Leased** — R.S. 47:6030 provides a refundable credit for taxpayers who purchased and installed a solar electric system at a single-family detached residence located in the state that serves as the primary residence. Taxpayers are also eligible for the credit when a resident purchases a newly constructed home with such systems already installed. Only one credit is allowed per residence including prior installations for which a credit was received. The credit is equal to 50 percent of the first \$25,000 of the cost of a solar electric system if installed before July 1, 2015. If the system was purchased and installed on or after July 1, 2015, the credit is equal to the lesser of \$2.00 per watt or 50 percent of the first \$20,000 of the cost of purchase and installation. See Revenue Information Bulletin 13-026 and 15-026 on LDR’s website. Form R-1086, available on LDR’s website, must be attached to your return as documentation for this credit. When taking this credit, the taxpayer will not be eligible for any other state tax credit, exemption, exclusion, deduction, or any other tax benefit for that property.

- 65F - School Readiness Child Care Provider** — R.S. 47:6105 allows a refundable credit for a child care provider who operates a facility or facilities where care is given to foster children in the custody of the Louisiana Department of Children and Family Services (DCFS) or to children who participate in the Child Care Assistance Program administered by the Louisiana Department of Education (LDE). The credit is based on the average monthly number of children who attended the facility multiplied by an amount based on the quality rating of the child care facility. For more information regarding this credit, contact Louisiana Department of Education.
- 67F - School Readiness Business-Supported Child Care** — R.S. 47:6107 allows a refundable credit for a taxpayer who incurs eligible business-supported child care expenses. The percentage of eligible expenses allowed for the credit depends on the quality rating of the child care facility to which the expenses are related or the quality rating of the child care facility that the child attends. Copies of cancelled checks and other documentation to support the amount of eligible expenses must be maintained and provided upon request. For more information regarding this credit, contact the Louisiana Department of Education.
- 68F - School Readiness Fees and Grants to Resource and Referral Agencies** — R.S. 47:6107 allows a refundable credit for the payment by a business of fees and grants to child care resource and referral agencies. The credit shall not exceed \$5,000 per tax year. For more information regarding this credit, please contact the Louisiana Department of Education.
- 70F - Retention and Modernization** — R.S. 51:2399.1 et seq. allow a refundable credit for an employer who incurs qualified expenditures to modernize existing operations in Louisiana to retain the business in the state. Taxpayers must apply to the Louisiana Department of Economic Development to receive certification. A copy of the certification of the credit must be attached to the return.
- 71F - Conversion of Vehicle to Alternative Fuel** — R.S. 47:6035 allows a refundable credit for the purchase of, or conversion of, a vehicle designed to run on an alternative fuel. See Revenue Information Bulletin No. 13-023 for definition of alternative fuel. The credit is not allowed for the costs associated with the purchase or conversion of a flexible fuel vehicle, designed to run on both alternative fuel and gasoline or diesel. The purchased vehicle must be properly registered with the Louisiana Department of Public Safety. You must attach documentation verifying the conversion or purchase of the vehicle. Prior to Act 125, the credit was equal to 50 percent of the cost of the qualified clean-burning motor vehicle fuel property that has been purchased and installed. Enter credit amount as allowed prior to Act 125 reduction. The credit amount currently allowed is calculated by multiplying the amount by 72 percent. If the taxpayer is unable to determine the exact cost attributable to the qualified clean-burning motor vehicle, prior to Act 125, the credit was equal to 10 percent of the cost of the motor vehicle registered in this state or \$3,000, whichever is less. Enter credit amount as allowed prior to Act 125 reduction. The credit amount currently allowed is equal to 7.2 percent of the cost or \$1,500, whichever is less.
- 73F - Digital Interactive Media** — R.S. 47:6022 allows a refundable credit for the investment in businesses specializing in digital interactive media and software. Taxpayers must apply to the Louisiana Department of Economic Development to receive certification. A copy of the certification of the credit must be attached to the return. See Revenue Information Bulletin 12-017 on LDR's website.
- 74F - Solar Energy Systems - Leased** — The credit is for taxpayers who purchased and installed through a lease with the residence owner a solar electric system at a single-family detached residence located in the state. Only one credit is allowed per residence including prior installations for which a credit was received. The credit is equal to 38 percent of the first \$20,000 of the cost of such system. For the purpose of determining the amount of the credit on leased systems, the cost of a system is limited to no more than \$3.50 per watt for a system purchased and installed after December 31, 2014 and \$2 per watt for a system purchased and installed on or after July 1, 2015. Since the system is limited to providing for no more than six kilowatts of energy, the maximum credit base for leased systems is \$12,000 and the maximum available credit is \$4,560 (6,000 watts x \$2.00/watt=\$12,000 x 38%=\$4,560). Form R-1086, available on LDR's website, must be attached to your return as documentation for this credit. When taking this credit, the taxpayer will not be eligible for any other state tax credit, exemption, exclusion, deduction, or any other tax benefit for that property. See Revenue Information Bulletin 15-026 on LDR's website. (R.S. 47:6030)
- 80F - Other Refundable Credit** — Reserved for future credits.